

**RESPONSIBILITIES AND AUTHORITY OF FUND
ADMINISTRATORS AND FUND USERS**
(New 09/2017)

6401

The Department of [Finance](#) designates an administering department for each fund, which is indicated in the description of the fund in the Manual of State Funds (found at: http://www.dof.ca.gov/accounting/manual_of_state_funds/). The administering department is responsible for the overall management of the fund.

This section outlines the responsibilities of a fund administrator for both non-shared and shared funds, and users of shared funds. Responsibilities pertaining to Fund Condition Statements apply to Fund Condition Statements prepared for and published in the Governor's Budget or the Enacted Budget.

Responsibilities of a Fund Administrator that is the sole user of a (non-shared) fund:

1. Verifies the accuracy of departmental accounting records by performing monthly reconciliations with source documents and corresponding appropriation and general ledger accounts maintained by the State Controller's Office ([SCO](#)).
2. Calculates prior year adjustments and keeps documentation for such adjustments.
3. Submits Fund Condition Statement to Finance with prior year adjustment, past year revenues, transfers, loans, and past year expenditures, and appropriate backup documents. Departments should work with Finance to determine any special adjustments or reserves.
4. Ensures accuracy and consistency of data between budget documents (e.g., Fund Condition Statement) and year-end financial reports submitted to the SCO.
5. Ensures both sets of documents are prepared with the same method and on the same accounting basis as in the Governor's Budget and Budget Act per Government Code section [12460](#). No variance should exist. No exceptions, unless approved by Finance or authorized in law.
6. Coordinates with Finance budget analyst who oversees the fund to ensure there are no other statewide changes to be included in the Fund Condition Statement.
7. Tracks and manages changes and ensures a prudent reserve is maintained, working with Finance to determine the level necessary for a prudent reserve.
8. Provides all necessary information on a timely basis when Finance performs its review of the fund's components, including the following:
 - DF-303, Detailed Fund Balance Report (applies to funds with a published Fund Condition Statement).
 - Year-end financial reports or other backup documents related to the fund's prior year adjustments and past year revenues/expenditures.
 - DF-117, Certification of Past and Prior Year Information.

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6401 (Cont. 1)

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Authority and Responsibilities of a Shared Fund Administrator:

1. Performs all responsibilities as listed above.
2. Possesses authority to request information from user department(s). User departments include departments that collect revenues and/or spend from the fund. The shared fund administrator can request the following information from user departments at any time:
 - DF-303, Detailed Fund Balance Report (applies to funds with a published Fund Condition Statement).
 - Copies of the year-end financial reports or other backup documents related to the fund's prior year adjustments and past year revenues/expenditures.
 - Copies of reconciliations and reports as necessary to allow the shared fund administrator to reconcile departmental account and fund balances to [SCO](#).
 - DF-117, Certification of Past and Prior Year Information.
3. Reviews data from other fund users for reasonableness. Except during the budget development period (when changes are tracked by Finance), tracks and manages changes and ensures a prudent reserve is maintained. Works with Finance to determine the level necessary for a prudent reserve. Once all budget proposals are developed and approved, Finance will share a copy of the Fund Condition Statement with the fund administrator.
4. Based on latest available information, provides a letter of support or opposition to fund users when they ask for a determination of sufficiency of the fund to fund a proposal. Fund users are not to provide details of the proposal, but must obtain a letter of support from fund administrators regarding adequacy of fund balance.
5. Assists Finance when requested in determining the use of the fund for new purposes.

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6401 (Cont. 2)

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Responsibilities of Shared Fund Users:

1. Verifies the accuracy of departmental accounting records by performing monthly reconciliations with source documents and corresponding appropriation and general ledger accounts maintained by the SCO.
2. Ensures the accuracy and consistency of data between budget documents (e.g., Fund Condition Statement, if applicable) and year-end financial reports submitted to the SCO.
3. Provides all necessary information requested by the fund administrator to manage and reconcile the fund on a timely basis, including the following:
 - DF-303, Detailed Fund Balance Report (applies to funds with a published Fund Condition Statement).
 - Copies of year-end financial reports or other backup documents related to the fund's prior year adjustments and past year revenues/expenditures.
 - Reconciliations and reports necessary to allow the shared fund administrator to reconcile departmental account and fund balances to [SCO](#).
 - DF-117, Certification of Past and Prior Year Information.

Note: Assessments by statewide projects/programs are not considered fund users for purposes of the responsibilities above.